





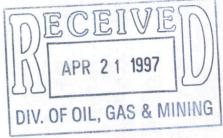
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

P.O. Box 45155 Salt Lake City, UT 84145-0155

Utah State Office

IN REPLY REFER TO 3500 UT-921



APR 1 8 1997

Clarence W. Prentice Reilly Industries, Incorporated 1500 South Tibbs Avenue P.O. Box 42912 Indianapolis, Indiana 46242

Dear Mr. Prentice:

The Bureau of Land Management (BLM) has been working to resolve several long standing issues with the federal mineral leases for potash held by Reilly Industries, near Wendover, Utah. These issues include determining a proper amount for a reclamation bond and the management of the federal mineral estate beneath Air Force-administered surface to the west of your private

Shortly, we will be issuing decisions to Reilly Industries related to these issues. However, first we would like to meet with you at our Salt lake City office so that we can discuss these issues and our proposed decisions with you in detail. We will listen to any concerns you may have regarding these matters.

Please call Stan Perkes at (801) 539-4036 to schedule a time for the meeting. We would like to have the meeting prior to the end of May 1997. Representatives of the BLM Salt Lake District office, the US Air Force, and the Utah Division of Oil, Gas, and Mining will also be invited to attend.

Sincerely,

6 Lauglas M. Koza

Douglas M. Koza Deputy State Director, **Natural Resources**



Utah Division of Oil, Gas, and Mining 1594 West North Temple Box 145801 Salt Lake City, Utah 84114-5801 (Attn. Tony Gallegos)

cc:

Utah State School and Institutional Trust Lands Administration 675 E 500 South Suite 500 Salt Lake City, Utah 84180-1204 (Attn. Wil Stokes)

Hill Air Force Base
Real Estate Office
75CEG/CER
7302 Wardleigh Road
Hill Air Force Base, Utah 84056-5223
(Attn. Loni Johnson)

Salt Lake Field Office